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Madame Chair, Congressman Ackerman, Members of the Subcommittee, thank you for the opportunity to discuss U.S. policy on Central Asia.

The United States faces significant policy challenges in Central Asia. This region, made up of Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan, is now in the middle of an historic transition to fully independent, sovereign nations. We are in a position to assist these countries as they orient themselves toward western democratic and market-based economic principles, and it is imperative that we do so. Our policy is to help create a Central Asian region comprised of independent, sovereign pluralistic states that are territorially secure, free from external political domination, and economically engaged with international markets.

A region comprised of secular Muslim states, Central Asia has a rapidly growing population, much of which lives with limited economic and political opportunities. Difficult domestic conditions are exacerbated by international trafficking – in weapons, narcotics, and people. In sum, much of Central Asia is subject to a dangerous mix of demographic, economic, social, and political pressures that could help foment terrorism and Islamic extremism.

Alongside these challenges, however, are significant opportunities. First, Central Asia is home to ancient traditions of religious tolerance and scientific learning – traditions that can help shield it against extremism and create functioning examples of moderate Islamic states. Second, this region has proven economic potential. Central Asia once made up the heart of the Silk Road. The prospect of regional economic dynamism still exists, especially given Central Asia's vast energy reserves and strong agricultural potential. These natural resources, if invested wisely, can help revive that economic vitality and foster much-needed economic growth. Third, Central Asian governments recognize that the transnational threats of international terrorism and illicit trafficking endanger their own national security. As such, we have strong opportunities for cooperation as we continue to prosecute the Global War on Terror.

The great policy questions of our time are all present in Central Asia – from combating terrorism to energy security; from supporting moderate Islam to promoting democratic development.

Central Asia Strategy

The United States continues to pursue three sets of strategic interests in Central Asia, namely:

- Political and economic reform;
- Energy and regional economic cooperation; and
- Security.

We consider these objectives highly interdependent, mutually reinforcing, and equally important. Given my responsibilities, I will focus my attention primarily on the

security aspects of our policy. But I would first like to briefly outline our goals in the other spheres. Additionally, I want to emphasize that we endeavor to pursue these different objectives simultaneously. No one objective trumps another.

As Assistant Secretary of State Fried told this subcommittee in October, failure in one area will undermine the chance of success in another. Therefore, our efforts in these countries must be crafted by carefully balancing developments in each sphere. Naturally, our enthusiasm for broadening our security cooperation with Central Asia must be tempered by economic and political realities. Likewise, our disappointment with the pace of reform in the region does not change that fact that we have important security interests in Central Asia.

Political and Economic Reform

Political liberalization and economic development in Central Asia are key to the region's long-term success. Lack of freedom from oppression and poverty breeds instability. Similarly, where a government lacks authority throughout its country's territory, you will find predatory forces, both inside and outside the country, that seek to fill the vacuum, often in destabilizing ways.

Economic opportunity and good governance are the long-term solutions to these problems. Terrorist groups will find few recruits within a population that has a vibrant economy and confidence in its governmental institutions. Regarding internal stability, no government has more legitimacy than one that is freely selected by its citizens.

The Department of Defense (DoD) has fewer tools than other U.S. institutions to directly empower the forces of political and economic reform. Still, our defense reform

efforts play a significant role in strengthening one of the basic foundations of democratic society – capable, civilian-controlled, and responsible defense establishments.

Energy and Regional Economic Cooperation

The economic vitality we seek to create in Central Asia can be promoted through regional cooperation and international investment. The U.S. government seeks to tie Central Asia into a regional web of economic cooperation and stability, with support from the international financial and U.S. commercial sectors. In this regard, I would like to highlight the important work being done by the U.S. Army Corps of Engineers in Tajikistan. Their work building a bridge over the Pyanzh River at the Afghan-Tajik border is a prime example of DoD's commitment to support projects to develop the economic infrastructure of the region.

Central Asia's energy sector needs increased investment. We must work to link up the impressive hydrocarbon and hydroelectric energy resources in Central Asia with regional and global energy markets. Further development of these resources and diversification of delivery routes from Central Asia – both economically beneficial to these countries – is a U.S. priority.

Security Strategy

We have three core goals for our security relationship with Central Asia:

- To support the Global War on Terrorism;
- To strengthen regional border security and reduce the risk of the proliferation of weapons of mass destruction (WMD); and
- To promote and assist with regional defense sector reform.

Global War on Terrorism

The United States is engaged in what has been appropriately called "the long war". We are faced with a determined and amorphous enemy that operates internationally and leaves us few fixed targets. To prevail, we must find and destroy terrorists, bolster our own defenses, and empower our allies and partners to isolate and expose terrorist groups and their means of support.

In greater Central Asia, our main focus is on supporting stability and reconstruction efforts in Afghanistan. This cannot be done without partners in the region. The most salient geographical fact of this part of the world is that it is land-locked. As a result, we need to rely on strategic airlift to sustain large-scale operations in the heart of the Asian landmass. And that cannot be accomplished without overflight and basing rights.

Every country in the region has provided assistance in some form to Operation Enduring Freedom. Through bilateral arrangements, we have secured basing access and the overflight, divert, and refueling rights that have been critical to our ongoing operations in Afghanistan.

Neighboring countries have consistently applied pressure on Central Asian governments to downgrade their cooperative relations with us, and this remains a constant challenge to regional security. In our view, every state with significant interests in the region benefits from stability in Afghanistan. That is why it is so important that Central Asian governments remain committed to supporting the development of a stable, secure Afghanistan.

Until November 2005, our operations in Afghanistan were supported from airbases in Karshi-Khanabad (K2), in Uzbekistan, and Manas, in Kyrgyzstan. At the request of the Uzbek government we left Karshi-Khanabad and now rely on Manas for logistical support to U.S. and Coalition forces in Afghanistan. That is not to say that other options do not exist. However, I want to emphasize that our relationship with Kyrgyzstan is important and we are working hard to maintain our cooperative arrangements with them. We are in the process of renegotiating the terms of our use of facilities at Manas with the Kyrgyz government. We are committed to an expeditious conclusion of these negotiations, which will require determination and flexibility by both sides.

Counterterrorism in Central Asia cannot solely be addressed in the context of Afghanistan. As I mentioned earlier, political and economic conditions in Central Asia potentially make the region susceptible to the rise of extremist movements. It is crucial that we act now to stem the tide by better preparing Central Asian governments to deal with these threats themselves.

To that end, we work within our statutory authority to provide counterterrorism training and expertise to Central Asian defense and military officials. Where appropriate, we have also helped equip our partners with non-lethal defense articles, increasing their operational effectiveness and interoperability with multinational forces. DoD is not alone in this endeavor. We work with our State, Justice, and Homeland Security colleagues to build capacities in the defense and security sector establishments.

In one prime example of the success of our counterterrorism efforts, DoD assistance helped establish Kazakhstan's peacekeeping battalion, elements of which are currently serving a fifth rotation in Iraq. Originally tasked with ordnance disposal and water purification, this battalion has since begun training Iraqi security forces in these same tasks. Kazakhstan is one of three predominantly Muslim states with troops serving in Iraq, with Albania and Azerbaijan the other two.

Non-Proliferation/Border Security

Our second core security goal is to increase national capacities to secure borders (land, riverine, maritime, and airspace) from all types of illicit trafficking and the proliferation of materials for WMD. We believe that shutting down trafficking routes is essential to the long-term stability both of Afghanistan and Central Asia as a whole. To accomplish this, we utilize a variety of Cooperative Threat Reduction (CTR) and counternarcotics (CN) funds to help countries build and/or modernize border crossing facilities, to establish interdiction teams and other military units, to train appropriate defense and military personnel, and to help modernize their equipment and facilities.

Central Asia has emerged as an important trafficking route for Southwest Asian narcotics. The UN estimates that 30 percent of Afghan narcotics transit Central Asia on their way to Russia and Europe. Porous borders, scarce resources, and corruption constrain the Central Asian countries' efforts to stem the drug trade. In addition, we continue to see some links between drug trafficking organizations, organized crime, and terrorist groups in the region.

DoD, in cooperation with the State Department's Bureau of International Narcotics and Law Enforcement and the Drug Enforcement Agency, is helping to build the capacity of the Central Asian nations to combat the burgeoning drug trade in the region. In FY05, DoD dedicated \$28M in supplemental CN assistance to Central Asia. In FY06, we requested \$55M for CN capacity building in Central Asia. We are utilizing CN assistance to improve training for host-nation counter-narcotics enforcement personnel and to refurbish border security infrastructure in Tajikistan, Kyrgyzstan, and Turkmenistan. In Tajikistan, we are also providing a real-time communications capability that will enhance interagency coordination on internal CN operations.

Regarding non-proliferation, let me say that keeping WMD out of the hands of terrorists must be our highest priority. We have been working hard on this front.

Kazakhstan, Uzbekistan, Tajikistan, and Turkmenistan have endorsed the Proliferation Security Initiative. We are working with Kazakhstan to destroy WMD-related infrastructure. Additionally, we are helping Kazakhstan build a Caspian Sea monitoring and response capability. We also work with Uzbekistan to improve border WMD detection capabilities and to identify, safeguard, and destroy dangerous pathogens.

Defense Reform

Our third core security goal is to gradually transform Central Asia's legacy Soviet defense establishments into modern forces along the Euro-Atlantic model. Specifically, we envision independent Central Asian militaries that are firmly under civilian control, are subject to budget transparency and legislative oversight, and that are affordable and sized to meet realistic security requirements.

All five Central Asian states are Partnership for Peace (PfP) members.

Participation in PfP events and exercises helps develop interoperability with U.S. and NATO forces, which in turn enhances these nation's opportunities for participation in coalition operations. PfP mechanisms, including the Individual Partnership Action Plan (IPAP) and the PfP Planning and Review Process, are important tools to help them implement defense reform. Earlier this year, Kazakhstan became the first Central Asian state to develop and secure NATO approval for an IPAP.

Additionally, DoD uses its extensive bilateral contacts to expose foreign military officials to U.S. values and policies. It is our belief that increased contact is essential to promote both the interest and the ability to enact reform in Central Asia's defense establishments. Through bilateral defense consultations, State National Guard partnerships, and CENTCOM-sponsored training, conferences, and other contacts, we are working to deepen personal and professional ties between the militaries of Central Asia and the United States. Similarly, we strongly encourage and assist in the participation of young Central Asian officers and diplomats in courses at the George C. Marshall Center for Security Studies. We have strong interests in helping to build the next generation of leaders.

Conclusion

Madame Chairman, we must continue to balance our approach based on where each country stands in the economic, political, and security realms. Supporting operations in Afghanistan is an important part of this balance. Additionally, we have

vital interests – security, economic, political – that will endure long after operations in Afghanistan have ended, and they require our attention now.

Thank you. I look forward to working with this committee and my colleagues in the executive branch in this important region.